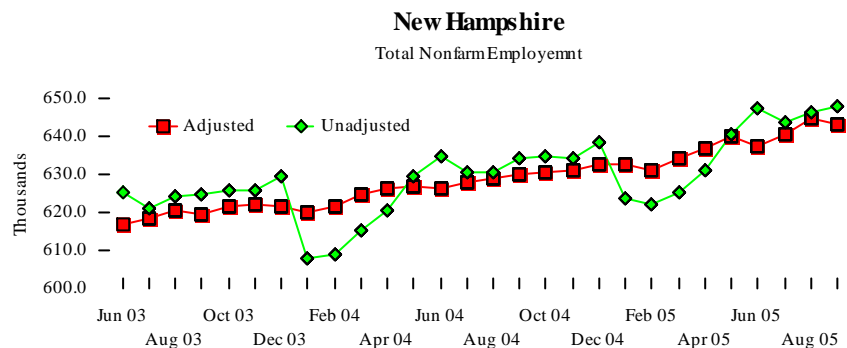


MONTHLY ANALYSIS OF INDUSTRY EMPLOYMENT DATA
New Hampshire, September 2005
B G McKay

Seasonally Adjusted:

September's preliminary seasonally adjusted estimates showed that New Hampshire's employers reduced their work force by 1,500 jobs overall. Government (supersector 90) led the way by trimming 1,500 jobs, and manufacturing (supersector 30) scaled back its cadre by 500 jobs. As the summer season approached its end, construction (supersector 20) wrapped up projects and required 200 fewer workers. Financial activities (supersector 55) pared 100 jobs from its roster to complete the list of those industries decreasing their labor pool.

On the plus side of the ledger, other services (supersector 80) expanded its ranks by 600 jobs. Leisure and hospitality (supersector 70) also worked to offset September's job loss by adding 400 employees to the payroll. Trade, transportation, and utilities (supersector 40) bumped up its staffing by 300 jobs, as professional and business services (supersector 60) concluded September's employment activities when it increased crew size by 200.



Unadjusted:

The change of seasons figured prominently in the 1,200-increase in New Hampshire's total nonfarm employment during September.

With the arrival of another academic year, government (supersector 90) added 9,200 positions, and educational and health services (supersector 65) boosted its employment level by 1,200 jobs. Other services (supersector 80) augmented its force by hiring an additional 200. The growth activity for September's unadjusted estimates finished with information (supersector 50) enlarging personnel totals by 100.

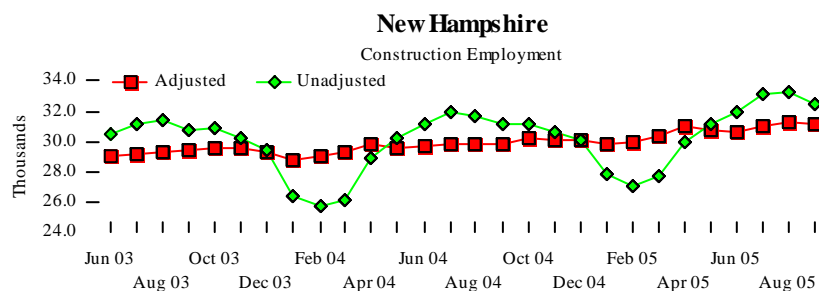
Natural resources and mining (supersector 10), a small but stable industrial group, did not alter employment totals during September.

Leisure and hospitality (supersector 70) observed the passing of the vacation season with a 6,500-job reduction, while construction (supersector 20) marked the occasion with an 800-job reduction. As students left their summer jobs to return to school, employment in trade, transportation, and utilities (supersector 40) fell by 700 jobs. Manufacturing (supersector 30) and financial activities (supersector 55) each rolled back their total number of jobs by 600 positions. Finally, professional and business services (supersector 60) dropped 300 jobs from its rolls.

CONSTRUCTION

Both construction of building contractors (subsector 236) and specialty trade contractors (subsector 238) pitched in 300 jobs to construction's (supersector 20) 800-job reduction in September's preliminary estimates.

The sample also indicated that heavy and civil engineering construction contractors (subsector 237) reduced employment levels during September.

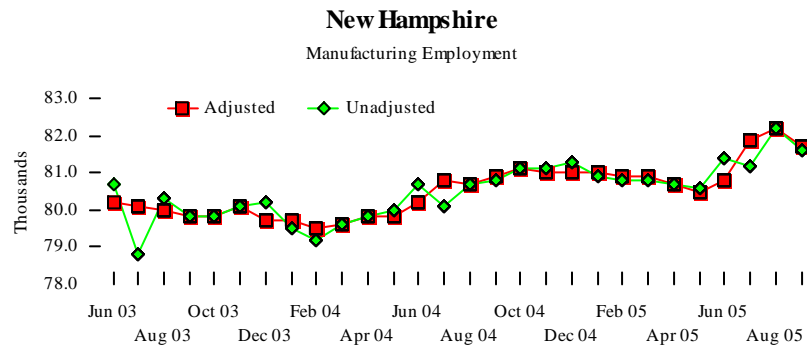


MANUFACTURING

Durable goods manufacturing accounted for the lion's share of September's 600 lost jobs in manufacturing (supersector 30), as employers in this area cut back their work force by 500 positions.

Nondurable goods manufacturing chipped in the other 100 jobs in September, but neither of the two published industries in this area recorded a change. The sample pointed to firms in plastics and rubber product manufacturing as being the primary agent of change in the current estimates for nondurable goods manufacturing.

Returning to durable goods manufacturing, negative numbers dominated September's employment picture with one notable exception. Primary metal manufacturing (subsector 331) with its 100-job increase stood out from all the other published industries in this sector.



Employers in electrical equipment, appliance, and component manufacturing (subsector 335) reduced their rosters by 200 jobs, while the remaining published subsectors in durable goods manufacturing cut back their work force by 100 jobs.

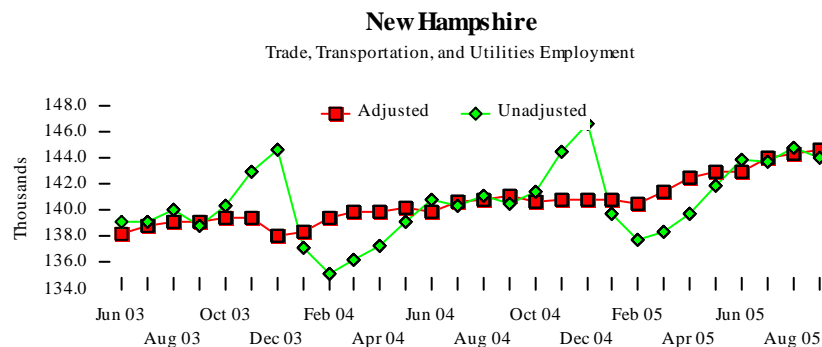
Inside computer and electronic product manufacturing (subsector 334), navigational, measuring, electromedical, and control instruments manufacturing (industry group 3345) cropped its staff by 200 jobs. Semiconductor and other electronic component manufacturing (industry group 3344), the other published industry in this area, pruned 100 positions.

TRADE, TRANSPORTATION, AND UTILITIES

Seasonal influences manifested themselves in the 700 jobs dropped by trade, transportation, and utilities (supersector 40) in September's preliminary estimates. Those influences produced both positive and negative effects on the employment levels within the supersector. Retail trade (-800 jobs) and wholesale trade (-300 jobs) experienced job loss, while transportation, warehousing, and utilities (+400 jobs) increased their total number of employed persons.

Merchant wholesalers, durable goods (subsector 423) and wholesale electronic markets and agents and brokers (subsector 425) each contributed 100 jobs to wholesale trade's 300-job reduction in September.

Retail trade engaged many temporary hires during the summer months. As schools resume operation in early September, many of those temporary hires drop out of the work force to return to school. This played a large role in the 800-job decrease in retail trade's September employment level.



The published totals for retail trade showed that food and beverage stores (subsector 445) reduced the employment level by 600 jobs. Clothing & clothing accessory stores, and general merchandise stores (a combination of subsector 448 and subsector 452) followed that with a 300-job cutback. To wrap up September's employment activity for retail

trade, electronic shopping and mail-order houses (industry group 4541) added 100 jobs to offset the 100-job decline department stores (industry group 4521).

INFORMATION

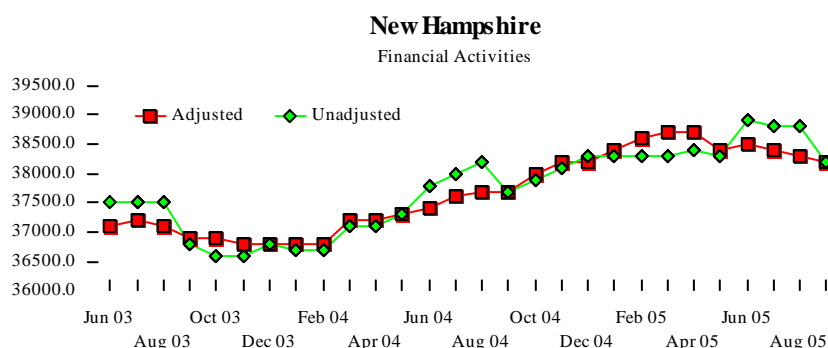
The sample indicated that all segments of information (supersector 50) contributed to September's 100-job increase.

FINANCIAL ACTIVITIES

As in other areas of New Hampshire's economy, seasonal factors played a significant role in the 600-job drop in financial activities (supersector 55) employment trend line for September.

The vacation season concluded, and real estate and rentals and leasing (sector 53) trimmed its staff by 500 positions, as summer rentals closed up for the season.

Finance and insurance (sector 52) chipped in a 100-job reduction to September's employment decline for financial activities. Inside sector 52, not all areas posted negative numbers for the month, as insurance carriers and related activities (subsector 524) firms increased their rolls by 100 jobs.

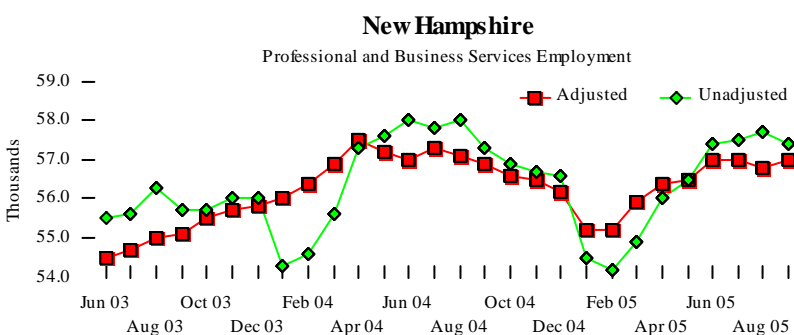


PROFESSIONAL AND BUSINESS SERVICES

The 400-job loss in administrative and support and waste management and remediation services (sector 56) drove the 300-job decline in professional and business services during September.

A 100-job increase in professional, scientific, and technical services (sector 54) mitigated the job loss for the supersector, as employment in management of companies and enterprises (sector 55) held at the August level.

Legal services (industry group 5411) and photographic services (industry group 5419) stood in the sample as the spark behind the September increase for sector 54.



Inside sector 56, employment services (industry group 5613) filled 100 additional job orders in September.

EDUCATIONAL AND HEALTH SERVICES

Preliminary September estimates showed that employment in educational and health services (supersector 65) increased by 1,200 jobs largely on the strength of a 1,000-job addition in educational services (sector 61). Further, health care and social assistance (sector 62) bumped up staffing by 200 positions.

Educational services' job growth can be traced to work-study students returning to colleges, universities, and professional schools (industry group 6513) for the start of another school term.

Nursing care facilities' (industry group 6231) 100-job increase coupled with minor employment additions in the area of social assistance (subsector 624) overcame a 200-job reduction in ambulatory health care services (subsector 621).

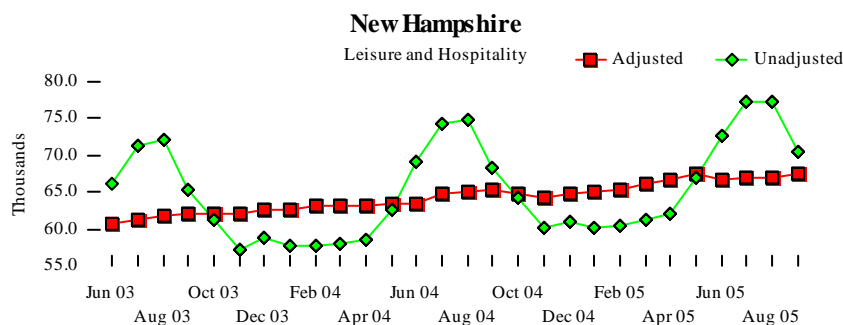
Hospitals (subsector 622) made no change to the previous month's total number of jobs.

LEISURE AND HOSPITALITY

Leisure and hospitality (supersector 70) marked the passing of the summer season with a 6,500-job reduction. Accommodation and food services (sector 72) accounted for 4,300 of the lost jobs, and arts, entertainment, and recreation (sector 71) pitched in the other 2,200 jobs.

Amusement and theme parks (industry group 7131) in New Hampshire scaled back operations in September, and the reduced activity provided the impetus for the 1,100-job drop in amusement, gambling, and recreation industries (subsector 713).

The completion of the season for performing arts companies (industry group 7111) and spectator sports (industry group 7112) also contributed mightily to September's employment decline in sector 71.

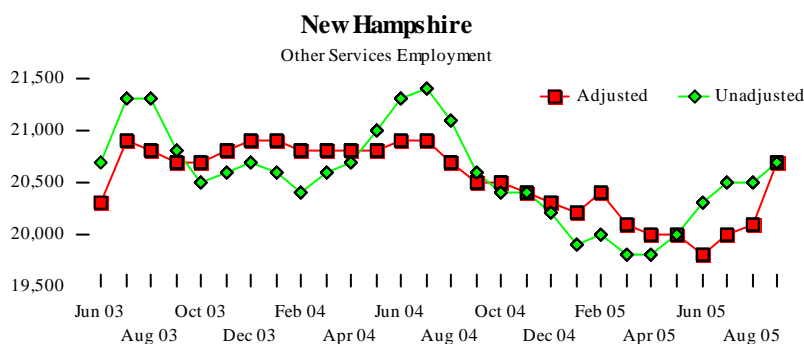


Of the 4,300 jobs dropped by sector 72 in September's estimates, accommodations (subsector 721) covered 2,300 of those jobs.

Full-service restaurants (industry group 7221) reduced staffing by 1,400 jobs in September, while limited-service eating places (industry group 7222) pared back its crew size by 800 slots. The sample indicates that contractors, which provide food service to schools (industry group 7223) in New Hampshire, checked the food service and drinking places (subsector 722) loss to 2,000 jobs.

OTHER SERVICES

September's sample showed that employment gains in repair and maintenance (subsector 811) and personal and laundry services (subsector 812) outpaced reductions in religious, grantmaking, civic, professional, and similar organizations (subsector 813) to give other services (supersector 80) an overall 200-job increase during the month.



GOVERNMENT

Increased activity in educational services at the state and local level of government (supersector 90) provided the stimulus for the 9,200-job increase in September.

Federal government added 100-job in preliminary estimates for the month.

At the state, the number of people employed grew by 2,600. The sample showed that gains in educational service overshadowed the reduction in the other administrative function of state government. State parks and recreation services cut back operations after the vacation season.

Local government employment trends mirrored the pattern of the state, as the local ranks expanded 6,500 jobs.

